

the Company specially convened for the purpose, issue, subject to the conditions and for the purposes hereinafter mentioned, Third Preference irredeemable six per cent. Bonds, of the nominal value of one hundred pounds sterling each, to the amount of one hundred and fifty thousand pounds sterling, and to be divided into two classes, of which Class A. shall be to the extent of fifty thousand pounds and class B. to the extent of one hundred thousand pounds, and such Bonds when issued, shall be a charge on the said Railway in the priority and rank hereinafter mentioned. 5.

Rank for principle. 4. The Third Preference Bonds to be issued under this Act shall constitute a lien or charge upon the Northern Railway of Canada, its property and franchises, next after the Second Preference Bonds issued under the authority of the Act hereinbefore recited, and before the Provincial lien. 10.

Expenditure of portion of proceeds. 5. The Company may, thereupon, and forthwith thereafter, issue and sell fifty thousand pounds sterling of the said Third Preference Bonds, Class A. thereof, and expend the proceeds thereof in the construction of Elevators, the increase and extension of the Rolling Stock and other equipment works and appliances of the Railway, for the further accommodation and facilities of its traffic 15. 20.

Subscription list therefor. 6. A subscription list of parties subscribing for such Class A. Third Preference Bonds to the amount of twenty five thousand pounds sterling, shall be delivered to the Financial Agents of the Dominion (in London, England), and shall be approved by them on or before the first day of January, in the year one thousand eight hundred and sixty-nine, and in case such amount be not subscribed by that day, this Act, so far as relates to issue of Third Preference Bonds, shall be null and void. 25.

Payment of arrears to Government 7. The Company shall also thereupon, pay over fifty thousand pounds sterling, of Class B. Third Preference Bonds to the Receiver General of Canada, on account of the arrears of interest due by the Company at the time of the passing of the Act of the twenty-third year of Her Majesty's Reign hereinbefore mentioned, on the Provincial lien. 30.

Existing arrears of Interest. 8. The Company shall also thereupon call in the existing Arrears of Interest Debentures of the Company, amounting in all to fifty-one thousand nine hundred and eighty-four pounds eight shillings and four pence sterling, and cancel the same, and in lieu thereof fifty thousand pounds sterling Class B. Third Preference Bonds shall by a pro rata allotment be delivered to the holders of Arrears of Interest Debentures. and in case such holders shall not, within six months after notice that such Class B. Third Preference Bonds are prepared and ready for issue in exchange as aforesaid shall have been three times inserted in the *Canada Gazette*, the *Toronto Globe*, and *Leader*, the *New York Herald*, and the *Times*, (London, England,) give up, in Toronto or London, (England,) the Bonds now held by them, and accept such Class B. Third Preference Bonds as hereby authorized in lieu thereof, then such arrears of interest Debentures as shall not within that period be brought in and given up in exchange as aforesaid, shall continue to rank as if this Act had not been passed. 35. 40. 45. 50.

Rank of Bonds for Interest. 9. The Class B. Third Preference Bonds shall not rank for interest dividends thereon until the proceeds of the subscription for Class A. Third Preference Bonds shall have been actually expended for the purposes of this Act, to the satisfaction of the Governor in Council 55.